

General Information Letter: A partner included on a composite return of a partnership that does not file with the return a disclosure of a reportable transaction engaged in by the partner may fulfill his or her disclosure requirements by sending a copy of the required federal disclosure to the separate disclosure address, without attaching it to any return.

June 21, 2005

Dear:

This is in response to your letter dated May 13, 2005. The nature of your request and the information you have provided requires that we respond with a General Information Letter (GIL). A GIL is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), which may be accessed from the Department's web site at [www.Iltax.com](http://www.Iltax.com).

In your letter, you request the following:

Specifically, [we] are seeking clarification and certainty regarding the reportable transaction disclosure requirements for certain nonresident partners of COMPANY, LLP who were partners in another partnership in a year ending prior to December 31, 2004. The other partnership has a disclosure requirement with respect to a 2001 federal listed transaction. This, in turn, means that such former partners have a separate disclosure requirement in their capacity as partners. The effected nonresident partners have elected to participate in the 2004 composite return filed by COMPANY on behalf of eligible nonresident partners.

## **RULING**

Department of Revenue Informational Bulletin FY 2005-17 (which may be accessed from the Department's website at <http://www.revenue.state.il.us/Publications/Bulletins/2005/index.html>), discusses the disclosure requirements under Section 501(b) of the Illinois Income Tax Act for partners included on a composite Illinois income tax return. The Bulletin indicates that any partner included on a composite return for a taxable year in which the partner has a disclosure requirement under Section 501(b) may satisfy such requirement by mailing a copy of the required disclosure to the Illinois Department of Revenue, PO Box 19029, Springfield, IL 62794-9029. Therefore, the nonresident partners of COMPANY who elect to participate in the 2004 composite return may satisfy their disclosure obligation for the 2001 listed transaction by mailing a copy of the federal disclosure for that transaction to the Department at the above address.

As stated above, this is a GIL. A GIL does not constitute a statement of policy that applies, interprets or prescribes the tax laws, and it is not binding on the Department. If you have further questions regarding this GIL, please call (217) 782-7055. If you have additional questions regarding Illinois income tax laws, please visit the Department's web site at [www.Iltax.com](http://www.Iltax.com).

Sincerely,

Brian L. Stocker  
(Associate Counsel – Income tax)